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PSC to review low-income energy assistance program; will hold public hearing in December

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FRANKFORT, Ky.— In order to receive public input and allow for sufficient review, the Kentucky Public Service Commission today suspended the joint application of Louisville Gas and Electric (LG&E), Metro Human Needs Alliance (MHNA) and People Organized and Working for Energy Reform (POWER), the Kentucky Association for Community Action, and the Jefferson County Government for a proposed low-income energy assistance subsidy program that would be funded through a surcharge on residential meters. The decision is expected before January 1, 2001.

The proposed subsidy program, filed with the commission on Oct. 1, would be funded by a surcharge of \$.46 per electric meter and \$.46 per gas meter applied to the bills of all LG&E residential customers, generating an estimated \$3.6 million to be used to pay a portion of the gas and electric bills incurred by low-income customers. The application was filed with the PSC pursuant to a change in the statutes enacted by the 2001 General Assembly. HB 305 allows utilities and low-income groups to develop an energy assistance program. The law requires the PSC to review and approve the program before it may be implemented.

In the order issued today, the commission said that, while it is sensitive to the pending expiration of the non-ratepayer funding for LG&E's current funding program, the evidence of record is "insufficient to determine the reasonableness of the proposed program." The commission will hold a public hearing on Dec. 6, 2001 at 9:00 a.m. at its offices at 211 Sower Blvd., in Frankfort for the purpose of cross-examination of the joint applicants, witnesses and intervenors.

Individuals wishing to comment on the application or intervene in the case may call the PSC utility hotline at 1-800-772-4636; send a letter to the commission at P.O. Box 615, Frankfort, Ky. 40602; make send comments on-line http://www.psc.state.ky.us/agencies/psc/consumer/inq_form.htm; or attend the public hearing on Dec. 6. Consumers should reference case number 2001-323 on any correspondence.

A copy of the order is available on the PSC Web site at <http://www.psc.state.ky.us>.

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